



For more information, contact DCR's office of Land Conservation at  
**(804) 225-2048**  
or visit:

[www.dcr.virginia.gov/olc](http://www.dcr.virginia.gov/olc)

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*Thanks to the Piedmont Environmental Council for its help with this brochure, and to Irvine Wilson for his photography.*



## LAND CONSERVATION IN VIRGINIA

*...will protect the land you love forever*

### WHY should you protect your land?

Land ownership is a major investment, and you work hard to maintain your property. Rising costs might make it more difficult for you to hold on to your family's legacy. Land conservation options provide a way to permanently protect the land you love, often while retaining ownership rights.

Landowners who donate land or conservation easements make a difference in their communities. Along with protecting scenic views and important natural resources, these landowners ensure that their properties will remain open space. An easement donation also can motivate a landowner's neighbors to do the same, leading to the protection of larger tracts of land in the community and region.

While many people donate easements because of their love of the land and their desire to see it protected, there are also significant tax advantages associated with a donation. For many easement donors, this translates into substantial savings on federal, state and local tax bills. In addition, Virginia has a tax credit that can be sold in exchange for cash.

#### Tax benefits

The value of an easement donation that meets federal tax requirements is considered a charitable deduction, and a percentage of the appraised value of the easement can be deducted from the donor's income. Such savings on federal estate and inheritance taxes may make it possible for families to pass on properties to their children.

Virginia allows easement donors to receive a state tax credit for a portion of the value of the easement. This credit may be used over a number of years until the credits are fully expended. The donor may use the credits to offset taxes owed or sell unused credits to other Virginia taxpayers.

For more information about tax benefits associated with land conservation options, refer to the *Tax Benefits of Land Conservation in Virginia* brochure available through the Office of Land Conservation at the Department of Conservation and Recreation (DCR).

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# HOW

can you  
protect your  
land?

*If you have property you would like to protect, there are several options you can tailor to your situation. Some options allow donation of your land to a conservation organization, some allow you to keep your property with development restrictions, and others allow you to donate your property in a will. In special cases, a conservation organization or public body may purchase land or a conservation easement from you.*



## Conservation easements

A conservation easement is a legal document made between a landowner and a public body or a qualified easement-holding organization. This type of land conservation allows the landowner to give up certain agreed-upon rights to their property while retaining ownership rights. Many of the relinquished rights limit present and future development of the property. Traditional uses, such as agriculture and forestry, may still be allowed as long as the natural, historical and cultural features are preserved. Giving up development rights to your property lowers its fair-market value, thus reducing estate and property taxes.

The land conservation organization that holds your easement is responsible for performing regular inspections of your property to ensure that all agreements made in the easement are followed. Generally, no other public or outside access is allowed without your permission.

## Who accepts conservation easements?

In Virginia, easements can be donated, or sometimes sold, to a number of public and private entities. Most conservation easements are donated to the Virginia Outdoors Foundation (VOF), a state agency established by the Virginia General Assembly to hold easements in public trust. Other government agencies that can accept easements include the Department of Conservation and Recreation, Department of Forestry, Department of Game and Inland Fisheries, and Department of Historic Resources, Soil and Water Conservation Districts, as well as local governments. Additionally, easements can be held by certain qualified nonprofit conservation organizations.

## Natural Area Dedications

This option can enable the preservation of land with significant natural features such as habitat for rare, threatened or endangered plant or animal species, rare or significant natural communities, or rare or significant geologic sites. If DCR determines that your property has one or more of these features, a deed of dedication similar to a conservation easement places your property into Virginia's Natural Area Preserve System. As with conservation easements, this option may provide some financial incentives. Those include reduced assessment for property tax purposes, reduction of federal estate taxes and a charitable donation for income tax purposes.

## Fee simple donations, bargain sales and life estates

The **fee simple title or deed** option involves a sale or donation of land to a conservation organization. The value of the donated land may qualify for a federal tax deduction. You can also donate land to the organization as a bequest in your will, which can significantly reduce estate taxes. It is important to work with the organization as you draw up your will to ensure that the donation achieves the protection you desire.

A **bargain sale** is the sale of your property at a price below fair-market value. The difference between the sale price and your property's fair-market value is a charitable donation. This option reduces the capital gains tax on the sale; income tax reductions might result as well.

The **life estate** option is similar to fee simple donations in that you donate land to a conservation organization, but you can include a provision that you will continue living on the property until your death.

